

# **INSTANT AVAILABILITY OF ELECTRONICALLY TRANSFERRED FUNDS**

## **ABSTRACT**

- 5 A system and method for making proceeds of an ACH (Automated Clearing House) transaction available to a user before the transaction is completed. The system may be part of an on-line or traditional merchant or system configured to allow or facilitate payments or fund transfers from users. When a user requests payment or transfer of funds to an entity (e.g., another user, a merchant, the user's
- 10 account with the system) via an ACH entry, the system authorizes the amount against a credit source of the user or otherwise verifies that the user has sufficient credit to cover the payment/transfer. If the authorization succeeds, the system places a hold on the credit source in the amount of the transaction. The ACH entry is then initiated and the desired funds are released. If the ACH transaction
- 15 rejected or returned, the user's credit source is charged.